



House of Representatives

General Assembly

File No. 406

January Session, 2013

Substitute House Bill No. 6473

House of Representatives, April 8, 2013

The Committee on Energy and Technology reported through REP. REED of the 102nd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY AUTHORITY, WHISTLEBLOWER PROTECTION, THE PURCHASED GAS ADJUSTMENT CLAUSE, ELECTRIC SUPPLIER DISCLOSURE REQUIREMENTS, THE CALL BEFORE YOU DIG PROGRAM, AND MINOR AND TECHNICAL CHANGES TO THE UTILITY STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 16-2 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (c) Any matter coming before the authority may be assigned by the
5 chairperson of the authority to a panel of one or more directors. Except
6 as otherwise provided by statute or regulation, the panel shall
7 determine whether a public hearing shall be held on the matter, and
8 may designate one or two of its members to conduct such hearing. [or]
9 Said chairperson may request the appointment of a hearing officer to
10 ascertain the facts and report thereon to the panel. The decision of the
11 panel, if unanimous, shall be the decision of the authority. If the

12 decision of the panel is not unanimous, the matter shall be approved
13 by a majority vote of the panel.

14 Sec. 2. Section 16-2c of the general statutes is repealed and the
15 following is substituted in lieu thereof (*Effective from passage*):

16 There is established a Division of Adjudication within the
17 [Department of Energy and Environmental Protection] Public Utilities
18 Regulatory Authority. The staff of the division shall include, but not be
19 limited to, hearing officers appointed pursuant to subsection (c) of
20 section 16-2, as amended by this act. The responsibilities of the division
21 shall include, but not be limited to, hearing matters assigned under
22 said subsection and advising the [commissioner and the] Public
23 Utilities Regulatory Authority concerning legal issues. The
24 [commissioner] chairperson of the Public Utilities Regulatory
25 Authority shall appoint such hearing officers pursuant to section 16-2,
26 as amended by this act, and assign such other staff as are necessary to
27 advise the [chairperson of the] authority.

28 Sec. 3. Section 16-8 of the general statutes is repealed and the
29 following is substituted in lieu thereof (*Effective from passage*):

30 (a) The Public Utilities Regulatory Authority may, in its discretion,
31 delegate its powers, in specific cases, to one or more of its directors or
32 to a hearing officer to ascertain the facts and report thereon to the
33 authority. The authority, or any director thereof, in the performance of
34 its duties or in connection with any hearing, or at the request of any
35 person, corporation, company, town, borough or association, may
36 summon and examine, under oath, such witnesses, and may direct the
37 production of, and examine or cause to be produced and examined,
38 such books, records, vouchers, memoranda, documents, letters,
39 contracts or other papers in relation to the affairs of any public service
40 company as it may find advisable, and shall have the same powers in
41 reference thereto as are vested in magistrates taking depositions. If any
42 witness objects to testifying or to producing any book or paper on the
43 ground that such testimony, book or paper may tend to incriminate
44 him, and the authority directs such witness to testify or to produce

45 such book or paper, and he complies, or if he is compelled so to do by
46 order of court, he shall not be prosecuted for any matter concerning
47 which he or she has so testified. The fees of witnesses summoned by
48 the [department] authority to appear before it under the provisions of
49 this section, and the fees for summoning witnesses shall be the same as
50 in the Superior Court. All such fees, together with any other expenses
51 authorized by statute, the method of payment of which is not
52 otherwise provided, shall, when taxed by the authority, be paid by the
53 state, through the business office of the authority, in the same manner
54 as court expenses. The authority may designate in specific cases a
55 hearing officer who may be a member of its technical staff or a member
56 of the Connecticut Bar engaged for that purpose under a contract
57 approved by the Secretary of the Office of Policy and Management to
58 hold a hearing and make report thereon to the authority. A hearing
59 officer so designated shall have the same powers as the authority, or
60 any director thereof, to conduct a hearing, except that only a director of
61 the authority shall have the power to grant immunity from
62 prosecution to any witness who objects to testifying or to producing
63 any book or paper on the ground that such testimony, book or paper
64 may tend to incriminate him or her.

65 (b) (1) The authority may [, within available appropriations,]
66 employ professional personnel to perform management audits. The
67 authority shall promptly establish such procedures as it deems
68 necessary or desirable to provide for management audits to be
69 performed on a regular or irregular schedule on all or any portion of
70 the operating procedures and any other internal workings of any
71 public service company, including the relationship between any public
72 service company and a related holding company or subsidiary,
73 consistent with the provisions of section 16-8c, provided no such audit
74 shall be performed on a community antenna television company,
75 except with regard to any noncable communications services which
76 the company may provide, or when (A) such an audit is necessary for
77 the authority to perform its regulatory functions under the
78 Communications Act of 1934, 47 USC 151, et seq., as amended from
79 time to time, other federal law or state law, (B) the cost of such an audit

80 is warranted by a reasonably foreseeable financial, safety or service
81 benefit to subscribers of the company which is the subject of such an
82 audit, and (C) such an audit is restricted to examination of the
83 operating procedures that affect operations within the state.

84 (2) In any case where the authority determines that an audit is
85 necessary or desirable, it may (A) order the audit to be performed by
86 one of the management audit teams, (B) require the affected company
87 to perform the audit utilizing the company's own internal
88 management audit staff as supervised by designated members of the
89 authority's staff, or (C) require that the audit be performed under the
90 supervision of designated members of the authority's staff by an
91 independent management consulting firm selected by the authority, in
92 consultation with the affected company. If the affected company has
93 more than seventy-five thousand customers, such independent
94 management consulting firm shall be of nationally recognized stature.
95 All reasonable and proper expenses of the audits, including, but not
96 limited to, the costs associated with the audit firm's testimony at a
97 public hearing or other proceeding, shall be borne by the affected
98 companies and shall be paid by such companies at such times and in
99 such manner as the authority directs.

100 (3) For purposes of this section, a complete audit shall consist of (A)
101 a diagnostic review of all functions of the audited company, which
102 shall include, but not be limited to, documentation of the operations of
103 the company, assessment of the company's system of internal controls,
104 and identification of any areas of the company which may require
105 subsequent audits, and (B) the performance of subsequent focused
106 audits identified in the diagnostic review and determined necessary by
107 the authority. All audits performed pursuant to this section shall be
108 performed in accordance with generally accepted management audit
109 standards. The [department] authority shall adopt regulations in
110 accordance with the provisions of chapter 54 setting forth such
111 generally accepted management audit standards. Each audit of a
112 community antenna television company shall be consistent with the
113 provisions of the Communications Act of 1934, 47 USC 151, et seq., as

114 amended from time to time, and of any other applicable federal law.
115 The authority shall certify whether a portion of an audit conforms to
116 the provisions of this section and constitutes a portion of a complete
117 audit.

118 (4) A complete audit of each portion of each gas, electric or electric
119 distribution company having more than seventy-five thousand
120 customers shall begin no less frequently than every six years, so that a
121 complete audit of such a company's operations shall be performed
122 every six years. Such an audit of each such company having more than
123 seventy-five thousand customers shall be updated as required by the
124 authority.

125 (5) The results of an audit performed pursuant to this section shall
126 be filed with the authority and shall be open to public inspection.
127 Upon completion and review of the audit, if the person or firm
128 performing or supervising the audit determines that any of the
129 operating procedures or any other internal workings of the affected
130 public service company are inefficient, improvident, unreasonable,
131 negligent or in abuse of discretion, the authority may, after notice and
132 opportunity for a hearing, order the affected public service company to
133 adopt such new or altered practices and procedures as the authority
134 shall find necessary to promote efficient and adequate service to meet
135 the public convenience and necessity. The authority shall annually
136 submit a report of audits performed pursuant to this section to the
137 joint standing committee of the General Assembly having cognizance
138 of matters relating to public utilities which report shall include the
139 status of audits begun but not yet completed and a summary of the
140 results of audits completed. Any such report may be submitted
141 electronically.

142 (6) All reasonable and proper costs and expenses, as determined by
143 the authority, of complying with any order of the authority pursuant
144 to this subsection shall be recognized by the authority for all purposes
145 as proper business expenses of the affected company.

146 (7) After notice and hearing, the authority may modify the scope

147 and schedule of a management audit of a telephone company which is
148 subject to an alternative form of regulation so that such audit is
149 consistent with that alternative form of regulation.

150 (c) Nothing in this section shall be deemed to interfere or conflict
151 with any powers of the authority or its staff provided elsewhere in the
152 general statutes, including, but not limited to, the provisions of this
153 section and sections 16-7, 16-28 and 16-32, to conduct an audit,
154 investigation or review of the books, records, plant and equipment of
155 any regulated public service company.

156 Sec. 4. Subsections (c) and (d) of section 16-8a of the general statutes
157 are repealed and the following is substituted in lieu thereof (*Effective*
158 *July 1, 2013*):

159 (c) (1) Not more than [thirty] ninety business days after receipt of a
160 written complaint, in a form prescribed by the authority, by an
161 employee alleging the employee's employer has retaliated against an
162 employee in violation of subsection (a) of this section, the authority
163 shall make a preliminary finding in accordance with this subsection.

164 (2) Not more than five business days after receiving a written
165 complaint, in a form prescribed by the authority, the authority shall
166 notify the employer by certified mail. Such notification shall include a
167 description of the nature of the charges and the substance of any
168 relevant supporting evidence. The employer may submit a written
169 response and both the employer and the employee may present
170 rebuttal statements in the form of affidavits from witnesses and
171 supporting documents and may meet with the authority informally to
172 respond verbally about the nature of the employee's charges. The
173 authority shall consider in making its preliminary finding as provided
174 in subdivision (3) of this subsection any such written and verbal
175 responses, including affidavits and supporting documents, received by
176 the authority not more than twenty business days after the employer
177 receives such notice. Any such response received after twenty business
178 days shall be considered by the authority only upon a showing of good
179 cause and at the discretion of the authority. The authority shall make

180 its preliminary finding as provided in subdivision (3) of this subsection
181 based on information described in this subdivision, without a public
182 hearing.

183 (3) Unless the authority finds by clear and convincing evidence that
184 the adverse employment action was taken for a reason unconnected
185 with the employee's report of substantial misfeasance, malfeasance or
186 nonfeasance, there shall be a rebuttable presumption that an employee
187 was retaliated against in violation of subsection (a) of this section if the
188 authority finds that: (A) The employee had reported substantial
189 misfeasance, malfeasance or nonfeasance in the management of the
190 public service company, holding company or licensee; (B) the
191 employee was subsequently discharged, suspended, demoted or
192 otherwise penalized by having the employee's status of employment
193 changed by the employee's employer; and (C) the subsequent
194 discharge, suspension, demotion or other penalty followed the
195 employee's report closely in time.

196 (4) If such findings are made, the authority shall issue an order
197 requiring the employer to immediately return the employee to the
198 employee's previous position of employment or an equivalent position
199 pending the completion of the authority's full investigatory proceeding
200 pursuant to subsection (d) of this section.

201 (d) Not later than thirty days after making a preliminary finding in
202 accordance with the provisions of subsection (c) of this section, the
203 authority shall initiate a full investigatory proceeding in accordance
204 with the provisions of section 16-8, as amended by this act, at which
205 time the employer shall have the opportunity to rebut the
206 presumption. The authority may issue orders, [or] impose civil
207 penalties, order payment of back pay or award attorneys' fees in a
208 manner that conforms with the notice and hearing provisions in
209 section 16-41 against a public service company, holding company or
210 licensee or a person, firm, corporation, contractor or subcontractor
211 directly or indirectly providing goods or services to such public service
212 company, holding company or licensee, in order to enforce the

213 provisions of this section.

214 Sec. 5. Subsection (a) of section 16-19 of the general statutes is
215 repealed and the following is substituted in lieu thereof (*Effective*
216 *October 1, 2013*):

217 (a) No public service company may charge rates in excess of those
218 previously approved by the Public Utilities Control Authority or the
219 Public Utilities Regulatory Authority, except that any rate approved by
220 the Public Utilities Commission, [or] the Public Utilities Control
221 Authority or the Public Utilities Regulatory Authority shall be
222 permitted until amended by the [Public Utilities Control Authority or
223 the] Public Utilities Regulatory Authority, that rates not approved by
224 the [Public Utilities Control Authority or the] Public Utilities
225 Regulatory Authority may be charged pursuant to subsection (b) of
226 this section, and that the hearing requirements with respect to
227 adjustment clauses are as set forth in section 16-19b, as amended by
228 this act. For water companies, existing rates shall include the amount
229 of any adjustments approved pursuant to section 16-262w since the
230 company's most recent general rate case, provided any adjustment
231 amount shall be separately identified in any customer bill. Each public
232 service company shall file any proposed amendment of its existing
233 rates with the authority in such form and in accordance with such
234 reasonable regulations as the authority may prescribe. Each electric,
235 electric distribution, gas or telephone company filing a proposed
236 amendment shall also file with the authority an estimate of the effects
237 of the amendment, for various levels of consumption, on the
238 household budgets of high and moderate income customers and
239 customers having household incomes not more than one hundred fifty
240 per cent of the federal poverty level. Each electric and electric
241 distribution company shall also file such an estimate for space heating
242 customers. Each water company, except a water company that
243 provides water to its customers less than six consecutive months in a
244 calendar year, filing a proposed amendment, shall also file with the
245 authority a plan for promoting water conservation by customers in
246 such form and in accordance with a memorandum of understanding

247 entered into by the authority pursuant to section 4-67e. Each public
248 service company shall notify each customer who would be affected by
249 the proposed amendment, by mail, at least one week prior to the first
250 public hearing thereon, but not earlier than six weeks prior to such first
251 public hearing, that an amendment has been or will be requested. Such
252 notice shall also indicate (1) the date, time and location of any
253 scheduled public hearing, (2) a statement that customers may provide
254 written comments regarding the proposed rate request to the Public
255 Utilities Regulatory Authority or appear in person at any scheduled
256 public hearing, (3) the Public Utilities Regulatory Authority telephone
257 number for obtaining information concerning the schedule for public
258 hearings on the proposed amendment, and [(2)] (4) whether the
259 proposed amendment would, in the company's best estimate, increase
260 any rate or charge by twenty per cent or more, and, if so, describe in
261 general terms any such rate or charge and the amount of the proposed
262 increase, provided no such company shall be required to provide more
263 than one form of the notice to each class of its customers. In the case of
264 a proposed amendment to the rates of any public service company, the
265 authority shall hold [a public hearing] one or more public hearings
266 thereon, except as permitted with respect to interim rate amendments
267 by subsections (d) and (g) of this section, and shall make such
268 investigation of such proposed amendment of rates as is necessary to
269 determine whether such rates conform to the principles and guidelines
270 set forth in section 16-19e, or are unreasonably discriminatory or more
271 or less than just, reasonable and adequate, or that the service furnished
272 by such company is inadequate to or in excess of public necessity and
273 convenience. The authority, if in its opinion such action appears
274 necessary or suitable in the public interest may, and, upon written
275 petition or complaint of the state, under direction of the Governor,
276 shall, make the aforesaid investigation of any such proposed
277 amendment which does not involve an alteration in rates. If the
278 authority finds any proposed amendment of rates to not conform to
279 the principles and guidelines set forth in section 16-19e, or to be
280 unreasonably discriminatory or more or less than just, reasonable and
281 adequate to enable such company to provide properly for the public

282 convenience, necessity and welfare, or the service to be inadequate or
283 excessive, it shall determine and prescribe, as appropriate, an adequate
284 service to be furnished or just and reasonable maximum rates and
285 charges to be made by such company. In the case of a proposed
286 amendment filed by an electric, electric distribution, gas or telephone
287 company, the authority shall also adjust the estimate filed under this
288 subsection of the effects of the amendment on the household budgets
289 of the company's customers, in accordance with the rates and charges
290 approved by the authority. The authority shall issue a final decision on
291 each rate filing within one hundred fifty days from the proposed
292 effective date thereof, provided it may, before the end of such period
293 and upon notifying all parties and intervenors to the proceedings,
294 extend the period by thirty days.

295 Sec. 6. Subsection (h) of section 16-19b of the general statutes is
296 repealed and the following is substituted in lieu thereof (*Effective*
297 *October 1, 2013*):

298 (h) The Public Utilities Regulatory Authority shall continually
299 monitor and oversee the application of the purchased gas adjustment
300 clause, the energy adjustment clause, and the transmission rate
301 adjustment clause. The authority shall hold a public hearing thereon
302 whenever the authority deems it necessary or upon application of the
303 Office of Consumer Counsel, but no less frequently than [once every
304 six months] annually, and undertake such other proceeding thereon to
305 determine whether charges or credits made under such clauses reflect
306 the actual prices paid for purchased gas or energy and the actual
307 transmission costs and are computed in accordance with the applicable
308 clause. If the authority finds that such charges or credits do not reflect
309 the actual prices paid for purchased gas or energy, and the actual
310 transmission costs or are not computed in accordance with the
311 applicable clause, it shall recompute such charges or credits and shall
312 direct the company to take such action as may be required to insure
313 that such charges or credits properly reflect the actual prices paid for
314 purchased gas or energy and the actual transmission costs and are
315 computed in accordance with the applicable clause for the applicable

316 period.

317 Sec. 7. Subsection (a) of section 16-49 of the general statutes is
318 repealed and the following is substituted in lieu thereof (*Effective from*
319 *passage*):

320 (a) As used in this section:

321 (1) "Company" means (A) any public service company other than a
322 telephone company, that had more than one hundred thousand dollars
323 of gross revenues in the state in the calendar year preceding the
324 assessment year under this section, except any such company not
325 providing service to retail customers in the state, (B) any telephone
326 company that had more than one hundred thousand dollars of gross
327 revenues in the state from telecommunications services in the calendar
328 year preceding the assessment year under this section, except any such
329 company not providing service to retail customers in the state, (C) any
330 certified telecommunications provider that had more than one
331 hundred thousand dollars of gross revenues in the state from
332 telecommunications services in the calendar year preceding the
333 assessment year under this section, except any such certified
334 telecommunications provider not providing service to retail customers
335 in the state, (D) any electric supplier that had more than one hundred
336 thousand dollars of gross revenues in the state in the calendar year
337 preceding the assessment year under this section, except any such
338 supplier not providing electric generation services to retail customers
339 in the state, or (E) any certified competitive video service provider
340 issued a certificate of video franchise authority by the [Department of
341 Energy and Environmental Protection] Public Utilities Regulatory
342 Authority in accordance with section 16-331e that had more than one
343 hundred thousand dollars of gross revenues in the state in the calendar
344 year preceding the assessment year under this section, except any such
345 certified competitive video service provider not providing service to
346 retail customers in the state;

347 (2) "Telecommunications services" means (A) in the case of
348 telecommunications services provided by a telephone company, any

349 service provided pursuant to a tariff approved by the authority other
350 than wholesale services and resold access and interconnections
351 services, and (B) in the case of telecommunications services provided
352 by a certified telecommunications provider other than a telephone
353 company, any service provided pursuant to a tariff approved by the
354 authority and pursuant to a certificate of public convenience and
355 necessity; and

356 (3) "Fiscal year" means the period beginning July first and ending
357 June thirtieth.

358 Sec. 8. Subdivision (3) of subsection (c) of section 16-244c of the
359 general statutes is repealed and the following is substituted in lieu
360 thereof (*Effective from passage*):

361 (3) An electric distribution company providing electric generation
362 services pursuant to this subsection shall cooperate with the
363 procurement manager of the [Department of Energy and
364 Environmental Protection] Public Utilities Regulatory Authority and
365 comply with the procurement plan for electric generation services
366 contracts. Such plan shall require that the portfolio of service contracts
367 be procured in such manner and duration as the authority determines
368 to be most likely to produce just, reasonable and reasonably stable
369 retail rates while reflecting underlying wholesale market prices over
370 time. The portfolio of contracts shall be assembled in such manner as
371 to invite competition; guard against favoritism, improvidence,
372 extravagance, fraud and corruption; and secure a reliable electricity
373 supply while avoiding unusual, anomalous or excessive pricing. An
374 affiliate of an electric distribution company may bid for an electric
375 generation services contract, provided such electric distribution
376 company and affiliate are in compliance with the code of conduct
377 established in section 16-244h.

378 Sec. 9. Subsection (i) of section 16-244c of the general statutes is
379 repealed and the following is substituted in lieu thereof (*Effective from*
380 *passage*):

381 (i) The [Department of Energy and Environmental Protection]
382 Public Utilities Regulatory Authority shall establish, by regulations
383 adopted pursuant to chapter 54, procedures for when and how a
384 customer is notified that his electric supplier has defaulted and of the
385 need for the customer to choose a new electric supplier within a
386 reasonable period of time or to return to standard service.

387 Sec. 10. Subsection (l) of section 16-244c of the general statutes is
388 repealed and the following is substituted in lieu thereof (*Effective from*
389 *passage*):

390 (l) Each electric distribution company shall offer to bill customers on
391 behalf of participating electric suppliers and to pay such suppliers in a
392 timely manner the amounts due such suppliers from customers for
393 generation services, less a percentage of such amounts that reflects
394 uncollectible bills and overdue payments as approved by the
395 [Department of Energy and Environmental Protection] Public Utilities
396 Regulatory Authority.

397 Sec. 11. Section 16-245d of the general statutes is repealed and the
398 following is substituted in lieu thereof (*Effective from passage*):

399 (a) The [Department of Energy and Environmental Protection]
400 Public Utilities Regulatory Authority shall, by regulations adopted
401 pursuant to chapter 54, develop a standard billing format that enables
402 customers to compare pricing policies and charges among electric
403 suppliers. The [department] authority shall adopt regulations, in
404 accordance with the provisions of chapter 54, to provide that an
405 electric supplier, until July 1, 2012, may provide direct billing and
406 collection services for electric generation services and related federally
407 mandated congestion charges that such supplier provides to its
408 customers with a maximum demand of not less than one hundred
409 kilowatts that choose to receive a bill directly from such supplier and,
410 on and after July 1, 2012, shall provide direct billing and collection
411 services for electric generation services and related federally mandated
412 congestion charges that such suppliers provide to their customers or
413 may choose to obtain such billing and collection service through an

414 electric distribution company and pay its pro rata share in accordance
415 with the provisions of subsection (h) of section 16-244c. Any customer
416 of an electric supplier, which is choosing to provide direct billing, who
417 paid for the cost of billing and other services to an electric distribution
418 company shall receive a credit on their monthly bill.

419 (1) An electric supplier that chooses to provide billing and collection
420 services shall, in accordance with the billing format developed by the
421 [department] authority, include the following information in each
422 customer's bill: (A) The total amount owed by the customer, which
423 shall be itemized to show (i) the electric generation services component
424 and any additional charges imposed by the electric supplier, and (ii)
425 federally mandated congestion charges applicable to the generation
426 services; (B) any unpaid amounts from previous bills, which shall be
427 listed separately from current charges; (C) the rate and usage for the
428 current month and each of the previous twelve months in bar graph
429 form or other visual format; (D) the payment due date; (E) the interest
430 rate applicable to any unpaid amount; (F) the toll-free telephone
431 number of the Public Utilities Regulatory Authority for questions or
432 complaints; and (G) the toll-free telephone number and address of the
433 electric supplier. On or before [February 1, 2012] October 1, 2013, the
434 authority shall conduct a review of the costs and benefits of suppliers
435 billing for all components of electric service, and report, in accordance
436 with the provisions of section 11-4a, to the joint standing committee of
437 the General Assembly having cognizance of matters relating to energy
438 regarding the results of such review. Any such report may be
439 submitted electronically.

440 (2) An electric distribution company shall, in accordance with the
441 billing format developed by the authority, include the following
442 information in each customer's bill: (A) The total amount owed by the
443 customer, which shall be itemized to show, (i) the electric generation
444 services component if the customer obtains standard service or last
445 resort service from the electric distribution company, (ii) the
446 distribution charge, including all applicable taxes and the systems
447 benefits charge, as provided in section 16-245l, (iii) the transmission

448 rate as adjusted pursuant to subsection (d) of section 16-19b, (iv) the
449 competitive transition assessment, as provided in section 16-245g, (v)
450 federally mandated congestion charges, and (vi) the conservation and
451 renewable energy charge, consisting of the conservation and load
452 management program charge, as provided in section 16-245m, and the
453 renewable energy investment charge, as provided in section 16-245n;
454 (B) any unpaid amounts from previous bills which shall be listed
455 separately from current charges; (C) except for customers subject to a
456 demand charge, the rate and usage for the current month and each of
457 the previous twelve months in the form of a bar graph or other visual
458 form; (D) the payment due date; (E) the interest rate applicable to any
459 unpaid amount; (F) the toll-free telephone number of the electric
460 distribution company to report power losses; (G) the toll-free
461 telephone number of the Public Utilities Regulatory Authority for
462 questions or complaints; and (H) if a customer has a demand of five
463 hundred kilowatts or less during the preceding twelve months, a
464 statement about the availability of information concerning electric
465 suppliers pursuant to section 16-245p.

466 (b) The regulations shall provide guidelines for determining until
467 October 1, 2011, the billing relationship between the electric
468 distribution company and electric suppliers, including, but not limited
469 to, the allocation of partial bill payments and late payments between
470 the electric distribution company and the electric supplier. An electric
471 distribution company that provides billing services for an electric
472 supplier shall be entitled to recover from the electric supplier all
473 reasonable transaction costs to provide such billing services as well as
474 a reasonable rate of return, in accordance with the principles in
475 subsection (a) of section 16-19e.

476 Sec. 12. Section 16-245o of the general statutes is repealed and the
477 following is substituted in lieu thereof (*Effective October 1, 2013*):

478 (a) To protect a customer's right to privacy from unwanted
479 solicitation, each electric company or electric distribution company, as
480 the case may be, shall distribute to each customer a form approved by

481 the [Department of Energy and Environmental Protection] Public
482 Utilities Regulatory Authority which the customer shall submit to the
483 customer's electric or electric distribution company in a timely manner
484 if the customer does not want the customer's name, address, telephone
485 number and rate class to be released to electric suppliers. On and after
486 July 1, 1999, each electric or electric distribution company, as the case
487 may be, shall make available to all electric suppliers customer names,
488 addresses, telephone numbers, if known, and rate class, unless the
489 electric company or electric distribution company has received a form
490 from a customer requesting that such information not be released.
491 Additional information about a customer for marketing purposes shall
492 not be released to any electric supplier unless a customer consents to a
493 release by one of the following: (1) An independent third-party
494 telephone verification; (2) receipt of a written confirmation received in
495 the mail from the customer after the customer has received an
496 information package confirming any telephone agreement; (3) the
497 customer signs a document fully explaining the nature and effect of the
498 release; or (4) the customer's consent is obtained through electronic
499 means, including, but not limited to, a computer transaction.

500 (b) All electric suppliers shall have equal access to customer
501 information required to be disclosed under subsection (a) of this
502 section. No electric supplier shall have preferential access to historical
503 distribution company customer usage data.

504 (c) No electric or electric distribution company shall include in any
505 bill or bill insert anything that directly or indirectly promotes a
506 generation entity or affiliate of the electric distribution company. No
507 electric supplier shall include a bill insert in an electric bill of an
508 electric distribution company.

509 (d) All marketing information provided pursuant to the provisions
510 of this section shall be formatted electronically by the electric company
511 or electric distribution company, as the case may be, in a form that is
512 readily usable by standard commercial software packages. Updated
513 lists shall be made available within a reasonable time, as determined

514 by the [department] authority, following a request by an electric
515 supplier. Each electric supplier seeking the information shall pay a fee
516 to the electric company or electric distribution company, as the case
517 may be, which reflects the incremental costs of formatting, sorting and
518 distributing this information, together with related software changes.
519 Customers shall be entitled to any available individual information
520 about their loads or usage at no cost.

521 (e) Each electric supplier shall, prior to the initiation of electric
522 generation services, provide the potential customer with a written
523 notice describing the rates, information on air emissions and resource
524 mix of generation facilities operated by and under long-term contract
525 to the supplier, terms and conditions of the service, and a notice
526 describing the customer's right to cancel the service, as provided in this
527 section. No electric supplier shall provide electric generation services
528 unless the customer has signed a service contract or consents to such
529 services by one of the following: (1) An independent third-party
530 telephone verification; (2) receipt of a written confirmation received in
531 the mail from the customer after the customer has received an
532 information package confirming any telephone agreement; (3) the
533 customer signs a contract that conforms with the provisions of this
534 section; or (4) the customer's consent is obtained through electronic
535 means, including, but not limited to, a computer transaction. Each
536 electric supplier shall provide each customer with a demand of less
537 than one hundred kilowatts, a written contract that conforms with the
538 provisions of this section and maintain records of such signed service
539 contract or consent to service for a period of not less than two years
540 from the date of expiration of such contract, which records shall be
541 provided to the [department] authority or the customer upon request.
542 Each contract for electric generation services shall contain all material
543 terms of the agreement, a clear and conspicuous statement explaining
544 the rates that such customer will be paying, including the
545 circumstances under which the rates may change, a statement that
546 provides specific directions to the customer as to how to compare the
547 price term in the contract to the customer's existing electric generation
548 service charge on the electric bill and how long those rates are

549 guaranteed. Such contract shall also include a clear and conspicuous
550 statement providing the customer's right to cancel such contract not
551 later than three days after signature or receipt in accordance with the
552 provisions of this subsection, describing under what circumstances, if
553 any, the supplier may terminate the contract and describing any
554 penalty for early termination of such contract. Each contract shall be
555 signed by the customer, or otherwise agreed to in accordance with the
556 provisions of this subsection. A customer who has a maximum
557 demand of five hundred kilowatts or less shall, until midnight of the
558 third business day after the latter of the day on which the customer
559 enters into a service agreement or the day on which the customer
560 receives the written contract from the electric supplier as provided in
561 this section, have the right to cancel a contract for electric generation
562 services entered into with an electric supplier.

563 (f) Each electric supplier shall provide a customer with written
564 notice of a change to such customer's electric generation rate at least
565 three weeks prior to the rate change. The notice shall be distributed in
566 the format and manner approved by the Public Utilities Regulatory
567 Authority.

568 ~~[(f)]~~ (g) (1) Any third-party agent who contracts with or is otherwise
569 compensated by an electric supplier to sell electric generation services
570 shall be a legal agent of the electric supplier. No third-party agent may
571 sell electric generation services on behalf of an electric supplier unless
572 (A) the third-party agent is an employee or independent contractor of
573 such electric supplier, and (B) the third-party agent has received
574 appropriate training directly from such electric supplier.

575 (2) On or after July 1, 2011, all sales and solicitations of electric
576 generation services by an electric supplier, aggregator or agent of an
577 electric supplier or aggregator to a customer with a maximum demand
578 of one hundred kilowatts or less conducted and consummated entirely
579 by mail, door-to-door sale, telephone or other electronic means, during
580 a scheduled appointment at the premises of a customer or at a fair,
581 trade or business show, convention or exposition in addition to

582 complying with the provisions of subsection (e) of this section shall:

583 (A) For any sale or solicitation, including from any person
584 representing such electric supplier, aggregator or agent of an electric
585 supplier or aggregator (i) identify the person and the electric
586 generation services company or companies the person represents; (ii)
587 provide a statement that the person does not represent an electric
588 distribution company; (iii) explain the purpose of the solicitation; and
589 (iv) explain all rates, fees, variable charges and terms and conditions
590 for the services provided; and

591 (B) For door-to-door sales to customers with a maximum demand of
592 one hundred kilowatts, which shall include the sale of electric
593 generation services in which the electric supplier, aggregator or agent
594 of an electric supplier or aggregator solicits the sale and receives the
595 customer's agreement or offer to purchase at a place other than the
596 seller's place of business, be conducted (i) in accordance with any
597 municipal and local ordinances regarding door-to-door solicitations,
598 (ii) between the hours of ten o'clock a.m. and six o'clock p.m. unless the
599 customer schedules an earlier or later appointment, and (iii) with both
600 English and Spanish written materials available. Any representative of
601 an electric supplier, aggregator or agent of an electric supplier or
602 aggregator shall prominently display or wear a photo identification
603 badge stating the name of such person's employer or the electric
604 supplier the person represents.

605 (3) No electric supplier, aggregator or agent of an electric supplier
606 or aggregator shall advertise or disclose the price of electricity to
607 mislead a reasonable person into believing that the electric generation
608 services portion of the bill will be the total bill amount for the delivery
609 of electricity to the customer's location. When advertising or disclosing
610 the price for electricity, the electric supplier, aggregator or agent of an
611 electric supplier or aggregator shall [also] (A) disclose the electric
612 distribution company's current charges, including the competitive
613 transition assessment and the systems benefits charge, for that
614 customer class, and (B) indicate, in a conspicuous part of any

615 advertisement or disclosure that includes an advertised price, the
616 expiration of the term of such advertised price using the same font size
617 and color as is used for the advertised price.

618 (4) No entity, including an aggregator or agent of an electric
619 supplier or aggregator, who sells or offers for sale any electric
620 generation services for or on behalf of an electric supplier, shall engage
621 in any deceptive acts or practices in the marketing, sale or solicitation
622 of electric generation services.

623 (5) Each electric supplier shall disclose to the Public Utilities
624 Regulatory Authority in a standardized format (A) the amount of
625 additional renewable energy credits such supplier will purchase
626 beyond required credits, (B) where such additional credits are being
627 sourced from, and (C) the types of renewable energy sources that will
628 be purchased. Each electric supplier shall only advertise renewable
629 energy credits purchased beyond those required pursuant to section
630 16-245a and shall report to the authority the renewable energy sources
631 of such credits and whenever the mix of such sources changes. No
632 electric supplier shall advertise, offer, sell or charge a premium for any
633 type of renewable energy source other than renewable energy credits
634 generated by a Class I or Class II renewable energy source or a Class III
635 source.

636 (6) Any electric supplier offering any services or products that
637 contain renewable energy credits other than renewable energy credits
638 used for compliance with the renewable portfolio standards pursuant
639 to section 16-245a shall disclose clearly on each customer contract and
640 marketing materials for each such service or product (A) the class from
641 which the renewable energy credits were generated, (B) the percentage
642 above the mandated requirement in section 16-245a, and (C) any other
643 information required by the Public Utilities Regulatory Authority.
644 Prior to offering any such services or products, an electric supplier
645 shall submit a copy of a sample or standard contract or marketing
646 materials for the authority's approval.

647 [(6)] (7) No contract for electric generation services by an electric

648 supplier shall require a residential customer to pay any fee for
649 termination or early cancellation of a contract in excess of (A) one
650 hundred dollars; or (B) twice the estimated bill for energy services for
651 an average month, whichever is less, provided when an electric
652 supplier offers a contract, it provides the residential customer an
653 estimate of such customer's average monthly bill.

654 [(7)] (8) An electric supplier shall not make a material change in the
655 terms or duration of any contract for the provision of electric
656 generation services by an electric supplier without the express consent
657 of the customer. Nothing in this subdivision shall restrict an electric
658 supplier from renewing a contract by clearly informing the customer,
659 in writing, not less than thirty days or more than sixty days before the
660 renewal date, of the renewal terms and of the option not to accept the
661 renewal offer, provided no fee pursuant to subdivision [(6)] (7) of this
662 section shall be charged to a customer who terminates or cancels such
663 renewal not later than seven business days after receiving the first
664 billing statement for the renewed contract.

665 [(8)] (9) Each electric supplier shall file annually with the authority a
666 list of any aggregator or agent working on behalf of such supplier.

667 [(g)] (h) Each electric supplier, aggregator or agent of an electric
668 supplier or aggregator shall comply with the provisions of the
669 telemarketing regulations adopted pursuant to 15 USC 6102.

670 [(h)] (i) Any violation of this section shall be deemed an unfair or
671 deceptive trade practice under subsection (a) of section 42-110b. Any
672 contract for electric generation services that the authority finds to be
673 the product of unfair or deceptive marketing practices or in material
674 violation of the provisions of this section shall be void and
675 unenforceable. Any waiver of the provisions of this section by a
676 customer of electric generation services shall be deemed void and
677 unenforceable by the electric supplier.

678 [(i)] (j) Any violation or failure to comply with any provision of this
679 section shall be subject to (1) civil penalties by the [department]

680 authority in accordance with section 16-41, (2) the suspension or
681 revocation of an electric supplier or aggregator's license, or (3) a
682 prohibition on accepting new customers following a hearing that is
683 conducted as a contested case in accordance with chapter 54.

684 [(j)] (k) The [department] authority may adopt regulations, in
685 accordance with the provisions of chapter 54, to include, but not be
686 limited to, abusive switching practices, solicitations and renewals by
687 electric suppliers.

688 Sec. 13. Subsection (a) of section 16-245y of the general statutes is
689 repealed and the following is substituted in lieu thereof (*Effective from*
690 *passage*):

691 (a) Not later than October 1, 1999, and annually thereafter, each
692 electric company and electric distribution company, as defined in
693 section 16-1, shall report to the Public Utilities Regulatory Authority its
694 system average interruption duration index (SAIDI) and its system
695 average interruption frequency index (SAIFI) for the preceding twelve
696 months. For purposes of this section: (1) Interruptions shall not include
697 outages attributable to major storms, scheduled outages and outages
698 caused by customer equipment, each as determined by the
699 [department] authority; (2) SAIDI shall be calculated as the sum of
700 customer interruptions in the preceding twelve-month period, in
701 minutes, divided by the average number of customers served during
702 that period; and (3) SAIFI shall be calculated as the total number of
703 customers interrupted in the preceding twelve-month period, divided
704 by the average number of customers served during that period. Not
705 later than January 1, 2000, and annually thereafter, the authority shall
706 report on the SAIDI and SAIFI data for each electric company and
707 electric distribution, and all state-wide SAIDI and SAIFI data to the
708 joint standing committee of the General Assembly having cognizance
709 of matters relating to energy.

710 Sec. 14. Subsection (c) of section 16-245y of the general statutes is
711 repealed and the following is substituted in lieu thereof (*Effective from*
712 *passage*):

713 (c) Not later than January 1, 2011, and annually thereafter, the
714 [Department of Energy and Environmental Protection] Public Utilities
715 Regulatory Authority shall report to the joint standing committee of
716 the General Assembly having cognizance of matters relating to energy
717 the number of applicants for licensure pursuant to section 16-245
718 during the preceding twelve months, the number of applicants
719 licensed by the [department] authority and the average period of time
720 taken to process a license application. Any such report may be
721 submitted electronically.

722 Sec. 15. Section 16-345 of the general statutes is repealed and the
723 following is substituted in lieu thereof (*Effective October 1, 2013*):

724 As used in this chapter:

725 [(a)] (1) "Person" means an individual, partnership, corporation,
726 limited liability company or association, including a person engaged as
727 a contractor by a public agency but excluding a public agency.

728 [(b)] (2) "Public agency" means the state or any political subdivision
729 thereof, including any governmental agency.

730 [(c)] (3) "Public utility" means the owner or operator of
731 underground facilities for furnishing electric, gas, telephone, telegraph,
732 communications, pipeline, whether for hire or not, sewage, water,
733 community television antenna, steam, [or] traffic signal, fire signal or
734 similar service, including a municipal or other public owner or
735 operator. A public utility does not include the owner of facilities for
736 utility service solely for such owner's private residence.

737 [(d)] (4) "Central clearinghouse" means the [group of] organization
738 organized and operated by public utilities [formed] pursuant to section
739 16-348, as amended by this act, for the purposes of receiving and
740 giving notice of excavation, discharge of explosives and demolition
741 activity within the state.

742 [(e)] (5) "Excavation" means an operation for the purposes of
743 movement or removal of earth, rock or other materials in or on the

744 ground, or otherwise disturbing the subsurface of the earth, by the use
745 of powered or mechanized equipment, including but not limited to
746 digging, blasting, auguring, back filling, test boring, drilling, pile
747 driving, grading, plowing-in, hammering, pulling-in, trenching, [and]
748 tunneling, [; excluding the movement of earth by tools manipulated
749 only by human or animal power and the tilling of soil for agricultural
750 purposes] dredging, reclamation processes and milling.

751 [(f)] (6) "Demolition" means the wrecking, razing, rending, moving
752 or removing of any structure.

753 [(g)] (7) "Damage" includes, but is not limited to, the substantial
754 weakening of structural or lateral support of a utility [line] facility such
755 that the continued integrity of such utility facility is or is likely to be
756 imperiled, penetration or destruction of any utility [line] facility
757 protective coating, housing or other protective device or the severance,
758 partial or complete, of any utility [line] facility.

759 [(h)] (8) ["Approximate location of underground facilities"]
760 "Approximate location of an underground utility facility" means a strip
761 of land not more than three feet wide centered on the actual location of
762 an underground utility facility or a strip of land extending not more
763 than one and one-half feet on either side of the actual location of an
764 underground [facilities] utility facility.

765 Sec. 16. Section 16-346 of the general statutes is repealed and the
766 following is substituted in lieu thereof (*Effective October 1, 2013*):

767 No person, public agency or public utility shall engage in
768 excavation, [or] discharge of explosives [at or near the location of a
769 public utility underground facility or demolish a structure located at or
770 near or containing a public utility facility] or demolition without
771 having first ascertained the location of all underground facilities of
772 public utilities in the area of such excavation, discharge or demolition
773 in the manner prescribed in this chapter and in such regulations as the
774 [department] Public Utilities Regulatory Authority shall adopt
775 pursuant to section 16-357.

776 Sec. 17. Section 16-347 of the general statutes is repealed and the
777 following is substituted in lieu thereof (*Effective October 1, 2013*):

778 A public utility shall [file] register with the [Public Utilities
779 Regulatory Authority the location of its] central clearinghouse the
780 geographic areas in which it owns or operates underground facilities,
781 [except facilities for storm sewers,] by reference to a standard [grid]
782 mapping system, to be established by the [authority] central
783 clearinghouse, and the title, address and telephone number of its
784 representative designated to receive the notice required by section 16-
785 349, as amended by this act.

786 Sec. 18. Section 16-348 of the general statutes is repealed and the
787 following is substituted in lieu thereof (*Effective October 1, 2013*):

788 The public utilities of the state shall, under the direction of the
789 Public Utilities Regulatory Authority, organize and operate a central
790 clearinghouse within the state for receiving and giving the notices
791 required by section 16-349, as amended by this act. The authority shall
792 apportion the cost of this service equitably among the public utilities,
793 [for those underground facilities registered with the authority, as
794 provided in section 16-347, except sanitary sewer or water facilities
795 owned or operated by] except a city, town or borough that owns or
796 operates only a sanitary sewer or water facilities.

797 Sec. 19. Section 16-349 of the general statutes is repealed and the
798 following is substituted in lieu thereof (*Effective October 1, 2013*):

799 Except as provided in section 16-352, as amended by this act, a
800 person, public agency or public utility responsible for excavating, [or]
801 discharging explosives [at or near the location of public utility
802 facilities] or demolishing a structure [containing a public utility
803 facility] shall notify the central clearinghouse of such proposed
804 excavation, discharge or demolition [, orally or in writing, at least two
805 full days, excluding Saturdays, Sundays and holidays, but not more
806 than thirty days before commencing such excavation, demolition or
807 discharge of explosives] in a manner as prescribed by regulations

808 adopted pursuant to section 16-357. Such notice shall include the
809 name, address and telephone number of the [entity giving notice, the
810 name of the] person, public agency or public utility performing the
811 [work] excavation, discharge of explosives or demolition and the date,
812 location and type of excavation, demolition or discharge of explosives.
813 The central clearinghouse shall immediately transmit such information
814 to the public utilities whose facilities may be affected. In the event the
815 proposed excavation, demolition or discharge of explosives has not
816 [commenced] been completed within [thirty days] the allotted time
817 frame prescribed by regulation of such notification, or the excavation,
818 demolition or discharge of explosives will be expanded outside of the
819 location originally specified in such notification, the person, public
820 agency or public utility responsible for such excavation, demolition or
821 discharge of explosives shall again notify the central clearinghouse [at
822 least two full days, excluding Saturdays, Sundays and holidays, but
823 not more than thirty days before commencing or expanding such
824 excavation, demolition or discharge of explosives] in a manner as
825 prescribed by regulations adopted pursuant to section 16-357.

826 Sec. 20. Section 16-350 of the general statutes is repealed and the
827 following is substituted in lieu thereof (*Effective October 1, 2013*):

828 Any permit issued by a public agency for excavation, demolition or
829 discharge of explosives shall require compliance with this chapter. No
830 such permit shall be issued by any public agency unless such public
831 agency receives satisfactory evidence from the person, public agency
832 or public utility seeking such permit that the requirements of this
833 chapter have been met. Such evidence shall be obtained from the
834 central clearinghouse and shall be in such form as the [department]
835 authority may prescribe by regulations pursuant to section 16-357.

836 Sec. 21. Section 16-351 of the general statutes is repealed and the
837 following is substituted in lieu thereof (*Effective October 1, 2013*):

838 A public utility receiving notice pursuant to section 16-349, as
839 amended by this act, shall inform the person, public agency or public
840 utility proposing to excavate, discharge explosives or demolish [a

841 structure] of the approximate location of its underground facilities in
842 the area in such manner as will enable such person, public agency or
843 public utility to establish the [precise] actual location of the
844 underground facilities, and shall provide such other assistance in
845 establishing the [precise] actual location of the underground facilities
846 as the [department] authority may require by [regulation] regulations
847 adopted pursuant to section 16-357. Such person, public agency or
848 public utility shall designate the area of the proposed excavation,
849 demolition or discharge of explosives as the [department] authority
850 may prescribe by regulation. The public utility receiving notice shall
851 mark the approximate location of its underground facilities in such
852 manner and using such methods, including color coding, as the
853 [department] authority may prescribe by regulation. If the [precise]
854 actual location of the underground facilities cannot be established, the
855 person, public agency or public utility shall so notify the public utility
856 whose facilities may be affected, which shall provide such further
857 assistance as may be needed to determine the [precise] actual location
858 of the underground facilities in advance of the proposed excavation,
859 discharge of explosives or demolition.

860 Sec. 22. Section 16-352 of the general statutes is repealed and the
861 following is substituted in lieu thereof (*Effective October 1, 2013*):

862 (a) In case of emergency involving danger to life, health or property
863 or which requires immediate correction to continue the operation of a
864 major industrial plant, or to assure the continuity of public utility
865 service, excavation or demolition without explosives may be made
866 without [the two day] notice required by section 16-349, as amended
867 by this act, provided notice thereof [by telephone] is given as soon as
868 reasonably possible.

869 (b) In case of an emergency involving an immediate and substantial
870 danger of death or serious personal injury, explosives may be
871 discharged if notice thereof is given at any time before discharge.

872 Sec. 23. Section 16-354 of the general statutes is repealed and the
873 following is substituted in lieu thereof (*Effective October 1, 2013*):

874 A person, public agency or public utility responsible for excavating,
875 discharging explosives or demolition shall exercise reasonable care
876 when working in proximity to the underground facilities of any public
877 utility and shall comply with such safety standards and other
878 requirements as the [department] authority shall prescribe by
879 [regulation] regulations adopted pursuant to section 16-357. If the
880 facilities are likely to be exposed, such support shall be provided as
881 may be reasonably necessary for protection of the facilities. If [gas
882 facilities are likely to be exposed] excavation is within the approximate
883 location of facilities containing combustible or hazardous fluids or
884 gases, only hand digging or soft digging shall be employed. As used in
885 this section, "soft digging" means a nonmechanical and nondestructive
886 process used to excavate and evacuate soils at a controlled rate, using
887 high pressure water or air jet to break up the soil, often used in
888 conjunction with a high power vacuum unit to extract the soil without
889 damaging the facilities.

890 Sec. 24. Section 16-355 of the general statutes is repealed and the
891 following is substituted in lieu thereof (*Effective October 1, 2013*):

892 When any contact is made with or any damage is suspected or done
893 to any underground facility of a public utility, the person, public
894 agency or public utility responsible for the operations causing the
895 contact, suspected damage or damage shall immediately notify the
896 public utility whose facilities have been affected, which shall dispatch
897 its own personnel as soon as reasonably possible to inspect the
898 underground facility and, if necessary, effect temporary or permanent
899 repairs. If a serious electrical short is occurring or if dangerous fluids
900 or gas are escaping from a broken line, the person, public agency or
901 public utility responsible for the operations causing the damage shall
902 alert all persons within the danger area and take all feasible steps to
903 insure the public safety pending the arrival of repair personnel. As
904 used in this section, "contact" includes, without limitation, the striking,
905 scraping or denting, however slight, of any underground utility
906 facility, [the structural or lateral support of an underground utility line
907 and] including any underground utility [line] facility protective

908 coating, housing or other protective device. Contact does not include
909 damage, as defined in section 16-345, as amended by this act.

910 Sec. 25. Section 16-356 of the general statutes is repealed and the
911 following is substituted in lieu thereof (*Effective October 1, 2013*):

912 Any person, public agency or public utility which the Public
913 Utilities Regulatory Authority determines, after notice and
914 opportunity for a hearing as provided in section 16-41, to have failed to
915 comply with any provision of this chapter or any regulation adopted
916 under section 16-357 shall forfeit and pay to the state a civil penalty of
917 not more than [forty] two hundred thousand dollars, provided any
918 violation involving the failure of a public utility to mark [the] any
919 approximate location of an underground [facilities] utility facility
920 correctly or within the timeframes prescribed by regulation, which
921 violation did not result in any property damage or personal injury and
922 was not the result of an act of gross negligence on the part of the public
923 utility, shall not result in a civil penalty of more than one thousand
924 dollars. Notwithstanding the provisions contained in subsection (d) of
925 section 16-41, the person, public agency or public utility receiving a
926 notice of violation pursuant to subsection (c) of section 16-41 shall have
927 thirty days from the date of receipt of the notice in which to deliver to
928 the authority a written application for a hearing.

929 Sec. 26. Subsection (c) of section 16-262j of the general statutes is
930 repealed and the following is substituted in lieu thereof (*Effective*
931 *October 1, 2013*):

932 (c) Each public service company, certified telecommunications
933 provider and electric supplier shall pay interest on any security
934 deposit it receives from a customer at the average rate paid, as of
935 December 30, 1992, on savings deposits by insured commercial banks
936 as published in the Federal Reserve Board bulletin and rounded to the
937 nearest one-tenth of one percentage point, except in no event shall the
938 rate be less than one and one-half per cent. On and after January 1,
939 1994, the rate for each calendar year shall be not less than the deposit
940 index as determined by the Banking Commissioner and defined in

941 subsection (d) of this section for that year and rounded to the nearest
 942 one-tenth of one percentage point, except in no event shall the rate be
 943 less than one and one-half per cent.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-2(c)
Sec. 2	<i>from passage</i>	16-2c
Sec. 3	<i>from passage</i>	16-8
Sec. 4	<i>July 1, 2013</i>	16-8a(c) and (d)
Sec. 5	<i>October 1, 2013</i>	16-19(a)
Sec. 6	<i>October 1, 2013</i>	16-19b(h)
Sec. 7	<i>from passage</i>	16-49(a)
Sec. 8	<i>from passage</i>	16-244c(c)(3)
Sec. 9	<i>from passage</i>	16-244c(i)
Sec. 10	<i>from passage</i>	16-244c(l)
Sec. 11	<i>from passage</i>	16-245d
Sec. 12	<i>October 1, 2013</i>	16-245o
Sec. 13	<i>from passage</i>	16-245y(a)
Sec. 14	<i>from passage</i>	16-245y(c)
Sec. 15	<i>October 1, 2013</i>	16-345
Sec. 16	<i>October 1, 2013</i>	16-346
Sec. 17	<i>October 1, 2013</i>	16-347
Sec. 18	<i>October 1, 2013</i>	16-348
Sec. 19	<i>October 1, 2013</i>	16-349
Sec. 20	<i>October 1, 2013</i>	16-350
Sec. 21	<i>October 1, 2013</i>	16-351
Sec. 22	<i>October 1, 2013</i>	16-352
Sec. 23	<i>October 1, 2013</i>	16-354
Sec. 24	<i>October 1, 2013</i>	16-355
Sec. 25	<i>October 1, 2013</i>	16-356
Sec. 26	<i>October 1, 2013</i>	16-262j(c)

ET Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Department of Energy and Environmental Protection	SF - Revenue Gain	Potential less than 250,000	Potential less than 250,000
Department of Energy and Environmental Protection	FF - Precludes Revenue Loss	Potential less than 230,000	Potential less than 230,000

Municipal Impact: None

Explanation

The bill increases the civil penalty associated with failure to comply with certain regulations of the "Call Before You Dig" law from a maximum of \$40,000 to a maximum of \$200,000. This would align the state with the federal government's civil penalty limit. This may result in a revenue gain to the state not to exceed \$250,000.¹

Under current law, the state may be out of compliance with federal regulations on "Call Before You Dig", and may be deemed ineligible for certain federal grants. This bill may preclude revenue loss from two federal grants of up to \$230,000 annually.

The bill also makes various changes to the energy statutes that have no fiscal impact on the state or municipalities.

The Out Years

¹ In calendar year 2011, there were 8 cases resulting in civil penalty revenue of \$261,500. In calendar year 2012, there were 4 cases resulting in civil penalty revenue of \$90,000.

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of civil penalties issued.

OLR Bill Analysis**sHB 6473**

AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY AUTHORITY, WHISTLEBLOWER PROTECTION, THE PURCHASED GAS ADJUSTMENT CLAUSE, ELECTRIC SUPPLIER DISCLOSURE REQUIREMENTS, THE CALL BEFORE YOU DIG PROGRAM, AND MINOR AND TECHNICAL CHANGES TO THE UTILITY STATUTES.

SUMMARY:

This bill makes several unrelated changes in the energy statutes. Among other things, it requires electric suppliers to notify customers at least three weeks before a rate change becomes effective and establishes disclosure requirements for suppliers offering power generated from certain renewable energy sources.

It expands the scope of the “Call Before You Dig” law, which governs excavation, explosive, and demolition projects near underground utility facilities. Among other things, it (1) increases the underground facilities protected under the law, (2) broadens the law’s notice requirement, and (3) increases the maximum fines for violations from \$40,000 to \$200,000.

The bill transfers several regulatory powers from the Department of Energy and Environmental Protection (DEEP) to the Public Utilities Regulatory Authority (PURA), which is within DEEP. It also makes administrative changes to PURA and the Division of Adjudication.

It also makes administrative changes to the process by which PURA reviews gas and electric company charges and credits made under the adjustment clauses for purchased gas, energy, and transmission rates.

By law, a utility company cannot threaten or retaliate against an employee who reported the company’s malfeasance or illegal

activities. Current law allows employees who feel they are being retaliated against to file a complaint with PURA, which must issue a preliminary finding within 30 days. Starting July 1, 2013, the bill extends this deadline from 30 to 90 days. It also expands PURA's enforcement powers to include awarding an employee back pay or attorney's fees. Existing law, unchanged by the bill, allows PURA to issue orders and impose civil penalties.

Current law requires utility companies to notify their customers of a proposed rate amendment by mail at least one week before a public hearing on the amendment. The bill limits how early the notice can be issued to no earlier than six weeks before the first public hearing. It also requires the notice to include (1) the hearing date, time, and location and (2) a statement that customers can appear at the hearing or provide written comments on the proposal to PURA. It allows PURA to hold more than one hearing on a proposed rate amendment.

The bill also makes several minor, technical, and conforming changes.

EFFECTIVE DATE: October 1, 2013, except for the provisions regarding (1) PURA, which are effective upon passage, and (2) whistleblower protection, which are effective July 1, 2013.

§ 12 — ELECTRIC SUPPLIERS

Rate Change Disclosure

The bill requires an electric supplier to notify its customers in writing about any electric generation rate change at least three weeks in advance. PURA must approve the format and manner in which the notice is distributed. It is not clear how this provision applies to variable rates that can change more frequently than every three weeks.

When an electric supplier, aggregator, or their agent is advertising or disclosing electricity prices, the bill requires them to indicate the advertised price's expiration terms in (1) a conspicuous part of the advertisement or disclosure that includes the advertised price and (2) the same font size and color as the advertised price.

Renewable Energy Disclosure

The bill prohibits electric suppliers from advertising, offering, selling, or charging a premium for any type of renewable energy source that is not a renewable energy credit (REC) generated by a Class I or Class II renewable energy source, or a Class III source. By law, Class I renewable energy sources include solar and wind power, power from fuel cells, and certain biomass and hydropower resources, among other things. Class II sources include power from other types of biomass facilities and trash-to-energy facilities. Class III includes power produced from certain cogeneration and waste heat recovery systems and the energy saved from certain conservation programs. RECS are created by renewable energy producers and are bought and sold on the wholesale electric market to meet renewable portfolio standards in Connecticut and other states.

The law's renewable portfolio standard (RPS) requires electric suppliers to obtain a certain portion of their power from Class I, II, and III energy sources. Under the bill, a supplier that offers any services or products that contain RECS that were not used to comply with the state's RPS must clearly disclose on the service's or product's marketing material and customer contracts (1) the class from which the RECS were generated, (2) the percentage above the RPS requirements, and (3) any other information PURA requires. An electric supplier must submit a copy of these contracts or marketing material for PURA's approval before it can begin offering the service or products.

Regulatory Power Over Suppliers Transferred from DEEP to PURA

The bill transfers from DEEP to PURA the authority to:

1. approve the form on which customers can opt out of having their contact and rate class information shared with electric suppliers;
2. determine the reasonable amount of time in which electric companies must provide suppliers with updated customer lists;

3. receive copies of customer contracts and records from suppliers;
4. penalize suppliers that violate the law's restrictions on using customer information, promotional inserts, disclosure requirements, and procedures for entering and terminating service contracts; and
5. make regulations on suppliers' abusive switching practices, solicitations, and renewals.

§§ 15-25 — CALL BEFORE YOU DIG

The "Call Before You Dig" law requires utility companies to file the locations of their underground facilities (e.g., power lines and pipelines) with a central clearinghouse operated by PURA. People must notify the clearinghouse before excavating or discharging explosives near the facilities or demolishing a structure containing a facility. The clearinghouse notifies the utility which provides the person, public agency, or other utility with its facilities' approximate underground location.

Covered Facilities and Projects

The bill expands the types of services and underground facilities covered by the law to include facilities that provide service for (1) communications; (2) fire signals or similar service; and (3) any pipeline, regardless of whether it is for hire or not. It specifically exempts underground facilities that (1) provide service only to a private residence and (2) are owned by the private residence's owner.

The bill also adds dredging, reclamation processes, and milling to the types of excavation projects that trigger the law's notice and other requirements. It removes an exception for powered or mechanized soil tilling for agricultural purposes. (Under the bill, farmers will have to "call before they dig" their crops.)

Notice Requirements

Under current law, a person must notify the clearinghouse orally or in writing at least two business days before (1) excavating or

discharging explosives near a utility's underground facilities or (2) demolishing a structure containing a facility. The notice must be resubmitted if the proposed project does not start within 30 days.

The bill requires the notice for any excavating, discharging of an explosive, or demolition, regardless of its proximity to an underground facility. It removes the requirement for the notice to be given orally or in writing at least two business days early and instead allows PURA to adopt regulations on the notice's form and timing. It also removes the 30-day deadline to start the project and instead allows PURA to adopt regulations dictating a deadline for a project to be completed.

Under certain emergency circumstances, current law allows an excavation or demolition to proceed without meeting the notice requirements as long as notice is given by telephone as soon as reasonably possible. The bill allows this notice to be given in any form.

The law requires a person to immediately notify a utility if he or she makes contact with, damages, or suspects that he or she damaged the utility's underground facility. The bill specifies that the damage or suspected damage must imperil, or likely imperil, the continued integrity of the facility's structural or lateral support.

Precautions for Combustible or Hazardous Fluids or Gases

Under current law, only hand digging can be used when gas facilities are likely to be exposed. The bill expands this precaution to cover facilities containing any combustible or hazardous fluids (e.g., oil) or gases. In addition to hand digging, it allows "soft digging," which it defines as a non-mechanical and non-destructive process to excavate and evacuate soils at a controlled rate using high pressure water or an air jet to break up the soil.

Underground Facility Locations

When a utility is providing someone with the approximate location of its underground facilities, current law requires it to identify a strip

of land under three feet wide. The bill increases the location's precision by requiring the strip of land to be centered on the underground facility's actual location.

Current law requires a utility to file its underground facilities' location with PURA. The bill instead requires it to register the geographic areas in which it owns or operates underground facilities with the central clearinghouse.

Administrative Changes

The bill requires the clearinghouse, instead of PURA, to establish the mapping system used to reference the underground facilities. It also transfers, from DEEP to PURA, the authority to make regulations on (1) how to ascertain underground facility locations before starting a project, (2) the evidence necessary for issuing permits, and (3) how utilities must mark the facilities' locations

PURA

Upon the bill's enactment, the bill transfers several regulatory powers from DEEP to PURA. It requires PURA, instead of DEEP, to make regulations on how to notify customers when an electric supplier defaults. It also requires this notice to include the option to return to standard service.

The bill requires PURA, instead of DEEP to make regulations on (1) the standard billing format for electric service and (2) direct customer billing and collection services from electric suppliers. It extends the deadline for PURA to report on its study of supplier direct billing from February 1, 2012 to October 1, 2013 and allows PURA to submit the report to the Energy and Technology Committee electronically.

It also requires PURA, instead of DEEP to (1) determine what storms and scheduled outages are not included in electric company reliability reports and (2) prepare an annual report on electric supplier licenses. It allows PURA to submit this report to the Energy and Technology Committee electronically.

The bill makes several administrative changes to PURA. It requires the PURA chairperson to request a hearing officer's appointment, instead of the PURA panel conducting a hearing. It places the Division of Adjudication under PURA instead of DEEP, and requires it to advise the PURA chairperson instead of the DEEP commissioner.

Current law allows PURA to hire, within available appropriations, a consultant to perform management audits on the utility companies it regulates. However, funding for the audits comes from an assessment on regulated utilities, not legislative appropriations. The bill removes the available appropriations limit and allows PURA to electronically submit its annual report on the audits to the General Assembly.

ADJUSTMENT CLAUSE REVIEW

By law, PURA can approve an energy adjustment clause for electric companies and a purchased gas adjustment clause for gas companies. These clauses adjust rates for such things as changes in the cost of purchased power and natural gas. They can include a provision allowing an electric or gas company to charge or reimburse customers for over- or under-recovery of its overhead or fixed costs due solely to actual sales varying from projected sales.

Current law requires PURA to hold a public hearing once every six months to determine if the charges or credits made under the adjustment clauses reflect actual prices. The bill decreases the hearing frequency to once every year, but requires PURA to hold a hearing upon the Office of Consumer Counsel's application. Under existing law, unchanged by the bill, PURA can also hold such a hearing whenever it deems it necessary.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 23 Nay 0 (03/21/2013)